SMART CHOICE™

HEALTH INSURANCE

My Smart Choice Health Insurance Workbook

3rd edition

UNIVERSITY OF MARYLAND EXTENSION
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UNIVERSITY OF DELAWARE | Cooperative Extension
COLLEGE OF AGRICULTURE & NATURAL RESOURCES

Smart Choice Health Insurance ™

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Funding for this project was provided by the University of Maryland Extension

Parts of this document were adapted from
the University of Missouri *Making Your Money Count Curriculum*, Chapter 7.

Some information was adapted from **www.HealthCare.Gov** including the definitions for the *Important Words to Know* sections of this workbook.

For additional health insurance information, questions and answers go to: extension.umd.edu/insure

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The American Association of Family and Consumer Sciences awarded Smart Choice Health Insurance ™ the 2014 Family Economics Resource Management Community Education Award.

The National Extension Association of Family and Consumer Sciences awarded Smart Choice Health Insurance ™ a 2015 Regional Family Health and Wellness Award.

The USDA National Institute for Food and Agriculture awarded Smart Choice Health Insurance ™ the 2016 Jeanne M. Priester Award, Individuals and Families category in recognition of outstanding contributions to the Cooperative Extension System and the public in the area of health and wellness and the positive impact it has had on improving health insurance literacy among individuals and families.

University of Maryland, College of Agriculture and Natural Resources awarded Smart Choice Health Insurance™ the 2016 Integrated Research and Extension Award for taking research and translating that research into education and delivering that education to meet consumer needs.

Recommended Citation:

University of Maryland Extension. (April 2016). *My Smart Choice Health Insurance™ Workbook, 3rd edition*
College Park, MD: University of Maryland.

Key Questions I Need to Answer

Why?

- Why do I need health insurance?
- Why is it important?

What?

- What do I need and want?
- What are my choices?

How?

- How much can I afford?
- How much will it cost?

Answering these important questions will help you make a Smart Choice health insurance decision.

Using this Workbook Can Help You Make a Smart Choice Health Insurance Decision

Did you know that most consumers dread making decisions about health insurance? They are not really sure if they have the right amount of health insurance coverage.

Most are not comfortable with the terms and rules of health insurance plans. Many consumers don't have confidence in their decisions.

Health insurance is very important, but choosing the best plan for you and your family can be complicated and expensive.

This workbook offers tools to give you confidence and help you build your smart shopping skills.

The tools you will find in this workbook are:

- **Definitions** you will need to understand health insurance.
- **Worksheets** to help you make your own **Smart Choice**:
  - **My Health Insurance Needs** to help you identify you and your family's health care needs - pages 6-12;
  - **My Health Insurance Plan Comparison** to help you compare plans and estimate costs - pages13-21;
  - **My Monthly Spending Plan** to help you plan for health care costs - pages 22-23.

Let's get started.

My Smart Choice Health Insurance Decision Checklist

- ☐ Make a list of your questions before it is time to choose your health plan.
- ☐ Review important words to know (including deductible, out-of-pocket costs, copayment, coinsurance).
- ☐ Complete the **My Health Insurance Needs** Worksheet.
- ☐ Explore health insurance options available to you and your family.
- ☐ Complete the **My Health Insurance Plan Comparison** worksheet.
- ☐ Gather financial information and complete the **My Monthly Spending Plan** to determine your health insurance budget.
  - ☐ Investigate savings options for your health care dollars.
- ☐ Compare your health insurance options to determine which plan best fits your needs and spending plan.
- ☐ **Make a Smart Choice health insurance decision.**

How Do I Know How Much Health Insurance I Will Need?

The first worksheet, **My Health Insurance Needs**, will help you put together all the details about the health services you currently use.

As you fill in the worksheets keep in mind that **Health Insurance Marketplace** insurance plans for individuals and small businesses include, **Essential Health Benefits** and **Preventive Services.**

Under any plan sold in the consumer or small business **Health Insurance Marketplace,** healthcare providers participating in the **Network** must offer **Preventive Services** with no out-of-pocket cost to you. If you use healthcare providers not in the **network**, you will have to pay a higher copayment and/or higher coinsurance.

If you have an employer sponsored health plan and are not sure if your plan covers **Preventive Services**, go to the health insurance company's website or talk to your employer's human resources representative.

To complete the **My Health Insurance Needs** worksheet you will need to think about how you and your family use **Health Care Services**. Look back through a calendar or your health records to make an estimate about which doctors you have seen and how often. If you haven't kept records, you can ask your doctors or pharmacist for this information. If you have health insurance, the insurance company will also have this information. Contact a customer service representative or go online to review your account.

Now you are on your way to making a Smart Choice health insurance decision for you and your family.

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Important Words to Know

Health Care Services - Health care delivered by practitioners in medicine, optometry, dentistry, nursing, pharmacy, emergency medical, allied health, and other disciplines.

Essential Health Benefits - Must include items and services within at least the following 10 categories: ambulatory patient services; emergency services; hospitalization; maternity and newborn care; mental health and substance use disorder services, including behavioral health treatment; prescription drugs; rehabilitative and habilitative services and devices; laboratory services; preventive and wellness services and chronic disease management; and pediatric services, including oral and vision care.

Preventive Services - Most health plans must cover a set of preventive services like annual check-ups, shots and screening tests at no out-of-pocket cost to you.

Health Insurance Marketplace (Marketplace) - A web site where individuals, families, and small businesses can learn about their health coverage options; compare health insurance plans based on costs, benefits, and other important features; choose a plan; and, enroll in coverage.

Network - Groups your health insurer or plan has contracts with to provide health care services. Anyone who is part of the group is considered "in-network" or a "preferred provider." A provider who is not part of the group is "out-of-network."

SECTION 1: My Family's Doctors Visits

This section will help you identify you (and your family's) needed health care services .

1) Do we have a **primary care provider**? ☐ Yes ☐ No
2) Do we see any **specialists?** Examples: allergist, OB-GYN, ophthalmologist ☐ Yes ☐ No
3) How many times did my family and I visit the doctor? Please fill in the chart below.

Person	Doctors Seen	Why You See Them	How Often Seen
Example	Dr. Smith Dr. Sanchez (ophthalmologist) Dr. Jones (dentist)	Yearly exam and flu shot Yearly eye exam Twice yearly cleaning	1 time 1 time 2 times
Me			
Spouse/Partner			
Child			
Child			
Child			

Important Words to Know

Primary Care Provider - A doctor, nurse practitioner, clinical nurse specialist or physician assistant, as allowed under state law, who provides, coordinates or helps a patient access a range of health care services.

Specialist - A health care provider who focuses on a specific area of medicine or health care.

SECTION 1: My Family's Doctors Visits - continued

Below are some questions to help you figure out how often you and your family visited the doctor in the past year. Use the information from the chart on page 6 to fill in the blank spaces for questions 4 through

4) About how many times did we each visit our primary care provider in the past year? _____
5) About how many times did we visit specialists in the past year? _____
6) In the past year, how many times did we go to **urgent care**? _____
7) In the past year, how many times did we go to the emergency department (ER)? _____
8) How many people do I need to buy insurance for? (You, spouse or partner, and children). _____

Important Words to Know

Urgent Care - Care for an illness, injury or condition serious enough that a reasonable person would seek care right away, but not so severe as to require emergency room care.

SECTION 2: My Family's Prescriptions

9) Do we take any **prescription drugs**? ☐ Yes ☐ No

Prescription Drugs - Medicines that by law require a prescription from the doctor.

Use this chart to help you figure out which prescription drugs your family takes and how much they cost.

I take:	How often do I get refills?	How much do I have to pay for each refill?
Example: Synthroid	*Quarterly*	*$20*
My spouse or partner and children take:	**How often do they get refills?**	**How much do I have to pay?**

SECTION 3: My Family's Health Care Changes for the Coming Year

10) Is there anything coming up in the next 12-18 months that I did not have to plan for last year? ☐ Yes ☐ No

The chart below can help you think about your health care needs for the coming year. You can then put all these needs together in one place. This can help you see if you need to plan for and choose different health insurance coverage.

New situation I will have	What kind of insurance coverage will I need?
Example: I want to have a baby	*Obstetrics and gynecology, hospital stay, prenatal medicine*
Example: Child turning 26	*Cannot be covered anymore on my insurance*
Will my current health insurance coverage be enough? ☐ Yes ☐ No ☐ Don't Know	

SECTION 4: Prioritizing My Family's Health Insurance Needs

11) Based on my answers to questions 1-10 (pgs. 6-8), I may want to pay attention to the items below when choosing a health insurance plan. To help identify the best plan for me and my family, I would rank from 1 (most important) to 5 (least important) the following :

_____The likely changes in health care needs for me and my family in the next 12-18 months.

_____The doctors my family and I see are included in the **network** of the health insurance plan.

_____The prescription drugs that my family and I need are covered by the insurance.

_____The monthly (or yearly) cost of insurance (this would be the **premium**).

_____The amount of **out-of-pocket costs** including emergencies , **deductible**, **copayment** or **coinsurance**.

SECTION 5: Summary of Insurance Coverage Needs

12) Given my family's health history, my health insurance needs include coverage for (check all that apply):

____ Health	____ Vision
____ Dental	____ Mental Health
____ Preventive Services	____ Substance Abuse Treatment
____ Prescription Drugs	____ **Maternity Coverage**

Important Words to Know

Premium - The amount that must be paid for your health insurance plan. Premiums may be shared between you and your employer.

Out-of-pocket costs - Your expenses for medical care that aren't reimbursed by insurance. Out-of-pocket costs include deductibles, coinsurance, and copayments for covered services plus costs for services that aren't covered by insurance.

Deductible - The amount you owe for health care services your health insurance or plan covers before your health insurance or plan begins to pay. For example, if your deductible is $1,000, your plan won't pay anything until you've met your $1,000 deductible for covered health care services subject to the deductible. The deductible may not apply to all services.

Copayment - A fixed amount you pay for a covered health service, usually when you get the service. You may have to meet your deductible first.

Coinsurance - Your part of the costs of a covered health care service. This is a part of the allowed amount for the service. You pay this amount once you have met your deductible.

Maternity Coverage - The coverage for prenatal screenings, delivery and, after birth, well baby and well mother visits.

Benefits - The health care items and services covered by a health insurance plan. Covered benefits and excluded services are defined in the health insurance plan's documents.

Allowed Amount - The maximum dollar amount on which an insurance payment is based for covered health care products and services. This may also be called an 'eligible expense,' 'payment allowance' or 'negotiated rate.' If your health provider charges more than the allowed amount, you may have to pay the difference.

What Are the Sources for Health Insurance Plans?

There are several ways in which you can access and buy health insurance. They can be divided into two categories: private insurance and government insurance. Examples of private insurance sources include plans that are offered through your employer, the Health Insurance Marketplace, and private insurers. Government insurance includes the Children's Health Insurance Program (CHIP), Medicaid, Medicare, and TRICARE.

What Is a Summary of Benefits and Coverage (SBC) Statement?

All health insurance plans must provide an easy to read summary format that lets you make comparisons of costs and coverage between health plans You can compare options based on price, benefits and other features that may be important to you. As you review the Summary of Benefits and Coverage (SBC) from your employer, the Marketplace or insurance provider, be sure to consider your health care service needs by comparing page 9 of this workbook with the health care services covered by the plan.

What Are the Health Plan Options and How Are They Different?

There are five main types of health insurance plans: **Fee-for-service** plans; **Exclusive Provider Organization (EPO)**; and **Health Maintenance Organization (HMO); Point-Of-Service (POS)** and **Preferred Provider Organization (PPO)**.

It is important for you to understand the differences in types of health care plans when making a **Smart Choice** health insurance decision.

Understanding Types of Plans

Fee-for-Service Plan - A type of insurance plan in which health care providers receive a fee for each service provided to insured patients. These plans normally cover hospitalization, outpatient care, and doctor services in or out of the hospital. You select the healthcare providers for office visits or treatments. You are then billed for the service by the health care provider and then reimbursed by the insurance company, or you can "assign" direct payment by the insurance company to the provider. These plans typically require you to pay premiums, deductibles, and coinsurance. Limits on certain coverage or exclusions may apply.

Exclusive Provider Organization (EPO) - A plan that covers services **only** if you go to doctors, specialists, or hospitals on the plan's approved list (network). You can go to any provider in an emergency.

Health Maintenance Organization (HMO) - A plan that only covers care from doctors who are part of the HMO. It generally will not cover out-of-network care unless it's an emergency. You may have to live or work in a certain area to be covered.

Point of Service (POS) - A plan in which you pay less if you use providers that are in the plan's network. You will need to select a primary care provider for regular checkups and referrals to see a specialist. You can use out-of-network providers at a higher cost.

Preferred Provider Organization (PPO) - A plan that has a special network or group of providers. You pay less if you use providers in the plan's network. You may not need a referral from your primary care doctor to see a specialist. This type of plan usually has payment options for using health care services that are in and out of the network. Copayments are charged for each visit.

What Are The Marketplace Health Plan Categories ?

Plans in the Marketplace are separated into 4 health plan categories - **Bronze**, **Silver**, **Gold**, or **Platinum** - based on the average cost of coverage. The plan category you choose affects the total amount you'll likely spend for essential health benefits during the year. All plan types (EPO, HMO, POS and PPO) are available on the Health Insurance Marketplace. If you select a POS plan, for example, you will be responsible for more of the health costs at the bronze level than at the platinum level. Comparing Marketplace cost tiers allows you to select the plan that best fits your health care needs and your spending plan.

For more information on how the Health Insurance Marketplace works, contact your local Marketplace office or go to www.healthcare.gov.

How Do I Compare Health Insurance Plans?

Whether the plans you are considering are purchased from the Health Insurance Marketplace or through your employer, the **My Health Insurance Plan Comparison** worksheet is a tool you can use to organize and compare the information about coverage and costs for the plans. Important criteria are on the left side of the worksheet. There is a place to make notes for three different plans you may want to compare. Refer back to your **My Health Insurance Needs** worksheet (pgs. 6-9) for information as you complete the plan comparisons.

This comparison tool will help you estimate the out -of-pocket costs for each plan you are considering. You will find most of the information you need in the Summary of Benefits and Coverage provided by the insurance company. For additional information check the company's website or call the company's customer service representatives.

If the plan you are considering doesn't include important medical services that your family needs, you may need to choose a different plan or buy an additional plan that will cover the necessary medical services. For example, adult dental or vision services are not covered in some plans. So you may need to purchase a additional plan.

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Description of the Tiers

Bronze - Insurance will cover 60% of costs for most people. Your coinsurance will be about 40% of costs. This tier has the lowest premiums and the highest out-of-pocket costs.

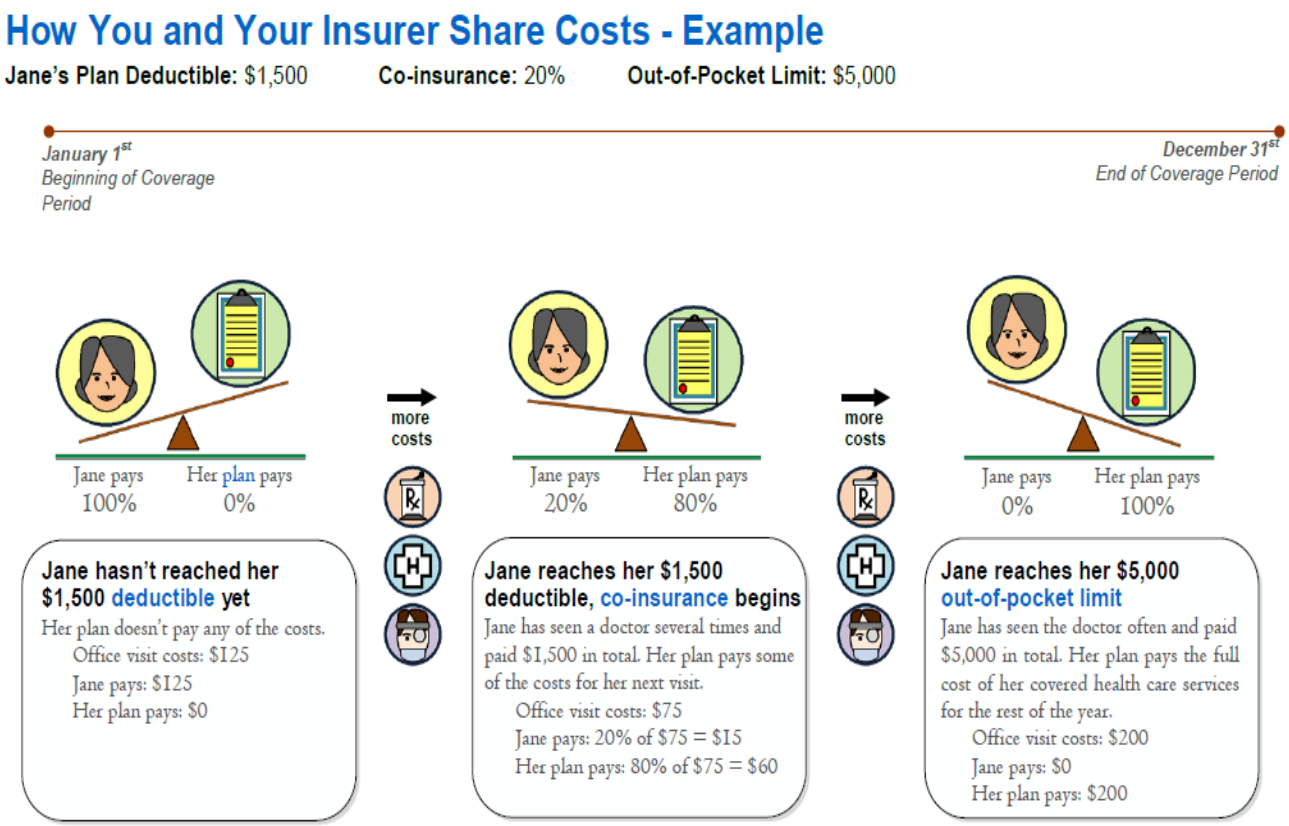
Silver- Insurance will cover 70% of costs for most people. Your coinsurance will be about 30% of costs. This tier has low premiums and higher out-of-pocket cost. This plan may offer the best value if you qualify for cost-sharing reductions based on your income.

Gold - Insurance will cover 80% of costs for most people. Your coinsurance will be about 20% of costs. This tier has high premiums and low out-of-pocket costs.

Platinum - Insurance will cover 90% of costs for most people. Your coinsurance will be about 10% of costs. This tier has the highest premiums and the lowest out-of-pocket costs.

How Does Health Insurance Work?

Understanding how insurance works and what it will cost you (deductibles, **out of-pocket maximums/limits,** copayments, and coinsurance) can be a little tricky. Here is an example of how and by whom costs are covered over health insurance plan year.



This example is taken from the Glossary of Health Coverage and Medical Terms found at http://www.dol.gov/ebsa/pdf/SBCUniformGlossary.pdf. March 2013

Important Words to Know

Out-of-Pocket Maximum/Limit -The most you pay during a plan year (12 months) before your health insurance or plan begins to pay 100% of the allowed amount. This limit never includes your premium, balance-billed charges, or health care your health insurance plan doesn't cover or allow.

Some health insurance plans also do not include your copayments, deductibles, coinsurance payments, out-of-network payments, or other expenses toward your out-of-pocket maximum/limit. In Medicaid and the Children's Health Insurance Program (CHIP), premiums are counted toward the out-of-pocket maximum/limit.

Let's get started.

My Health Insurance Plan Comparison

This section will help you compare plans and decide which plans provide affordable access to the doctors and services your family needs. Some information is provided in the Summary of Benefits and Coverage for each plan. However, you may need to contact the insurance company website or customer service representative for more detailed information.

Section 1: Types of Plans and Accessing Medical Services	Option 1 Plan Name:	Option 2 Plan Name:	Option 3 Plan Name:
What type of insurance plan? EPO—Exclusive Provider Organization HMO—Health Maintenance Organization POS—Point of Service PPO— Preferred Provider Organization	☐ EPO ☐ HMO ☐ POS ☐ PPO	☐ EPO ☐ HMO ☐ POS ☐ PPO	☐ EPO ☐ HMO ☐ POS ☐ PPO
What is the **health plan category**? Information about health plan categories is found on page 11 of this workbook. **Grandfathered—See section 3 on page 15 for more information.**	☐ Employer ☐ Bronze ☐ Silver ☐ Gold ☐ Platinum ☐ Grand-fathered	☐ Employer ☐ Bronze ☐ Silver ☐ Gold ☐ Platinum ☐ Grand-fathered	☐ Employer ☐ Bronze ☐ Silver ☐ Gold ☐ Platinum ☐ Grand-fathered
What is the **coinsurance** for services?	% _____	% _____	% _____
Are ALL my providers (doctors, hospitals, specialists, pharmacies, etc.) in the plan's network? (Look on the insurance company's web site or call to find out.)	☐ Yes ☐No	☐ Yes ☐No	☐ Yes ☐No
Can I choose my health care providers?	☐ Yes ☐No	☐ Yes ☐No	☐ Yes ☐No
Do I need **referrals** for specialists?	☐ Yes ☐No	☐ Yes ☐No	☐ Yes ☐No
Do I need **preauthorization** for medical procedures?	☐ Yes ☐No	☐ Yes ☐No	☐ Yes ☐No
Does this plan accept the doctor's billing or do I have to pay upfront and get the plan to reimburse me?	☐ Accept ☐ Pay up front	☐ Accept ☐ Pay up front	☐ Accept ☐ Pay up front

Important Words to Know

Referral - A written order from your primary care doctor for you to see a specialist or to get certain medical services. Some health insurance plans require a referral before you can get medical care from a specialist. If you do not, the plan may not pay for the services.

Preauthorization - A decision by your health insurer that health care service, treatment plan, prescription drug or durable medical equipment is medically necessary. The plan may require preauthorization for certain services before you receive them, except in an emergency.

My Health Insurance Plan Comparison

This section helps you compare health insurance plans for the important coverage you identified in Section 5 of **My Health Insurance Needs** (pg. 9). Some information will be provided in the plan's Summary of Benefits and Coverage.

However, you may need to check the insurance company's website or call the company's customer service representatives to get additional information or to have questions answered for your specific situation.

Section 2: Coverage	Option 1 Plan Name:	Option 2 Plan Name:	Option 3 Plan Name:
This plan covers these services (Covered essential benefits and other services): Mark off the services this plan provides by making an "X" next to the service.	☐ Medical ☐ Vision ☐ Prescription ☐ Dental ☐ Maternity ☐ Mental Health ☐ Substance Abuse	☐ Medical ☐ Vision ☐ Prescription ☐ Dental ☐ Maternity ☐ Mental Health ☐ Substance Abuse	☐ Medical ☐ Vision ☐ Prescription ☐ Dental ☐ Maternity ☐ Mental Health ☐ Substance Abuse
This plan has these **excluded services**: (Review your family's needs (pages 6-9) and compare them to the excluded services. Be sure the plan includes all necessary services.)			
Is there a waiting period on maternity benefits and how long is it?	☐ Yes ☐No How long? ____	☐ Yes ☐No How long? ____	☐ Yes ☐No How Long? ____
Are there any special limits or exclusions on maternity benefits?	☐ Yes ☐No	☐ Yes ☐No	☐ Yes ☐No
What is the amount of the out-of-pocket maximum/limit?			
If I travel **out-of-network**, does this plan cover care outside my local area? If I travel out of the country or out of state, does this plan provide coverage?	☐ Yes ☐No ☐ Yes ☐No	☐ Yes ☐No ☐ Yes ☐No	☐ Yes ☐No ☐ Yes ☐No
Does the company have a high number of consumer complaints? (To find out, call your state's Insurance Commissioner's Office or visit their website).	☐ Yes ☐No	☐ Yes ☐No	☐ Yes ☐No

Important Words to Know

Excluded Services - Health care services that your health insurance or plan does not cover or pay for.

Out-of-network - The facilities, providers and suppliers your health insurer or plan has not contracted with to provide health care services. There will be higher copayment and coinsurance costs if you choose to receive products and services from out-of-network providers.

My Health Insurance Plan Comparison

This section lays out other things to consider if you have an employer based plan that is considered a **Grandfathered Plan**. Because grandfathered plans do not need to provide all essential benefits, it is important to refer to Section 5 of **My Health Insurance Needs** (pg. 9) for the summary of health care services you and your family need to be sure these services are covered.

As you look at different plans, you will find some information you need in each plan's Summary of Benefits and Coverage. For additional information, you may need to check the insurance company website or call the company's customer service representatives. If you buy insurance through your job, you may also want to talk about your options with your employer's health benefits representative.

Section 3: **Other considerations if you are comparing Grandfathered Health Plans**	Option 1 Plan Name:	Option 2 Plan Name:	Option 3 Plan Name:
Do I have to fill out a health questionnaire to get the plan?	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No
How many months do I have to wait before I get medical coverage? (This might be important for new employees.)			
If I (we) have a **pre-existing condition**, will the health insurance policy cover me (us)?	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No
Is there a waiting period before pre-existing conditions will be covered and how long is it?	☐ Yes ☐ No How long?___	☐ Yes ☐ No How long?___	☐ Yes ☐ No How long?___
Is there a waiting period on maternity benefits and how long is it?	☐ Yes ☐ No How long?___	☐ Yes ☐ No How long?___	☐ Yes ☐ No How long?___
Are there any special limits or exclusions on maternity benefits?	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No

Important Words to Know

Grandfathered Plan - A group health plan that was created or an individual health insurance policy that was purchased on or before March 23, 2010. Grandfathered plans are exempted from many changes required under the Affordable Care Act. A health plan must disclose in its plan materials whether it considers itself to be a grandfathered plan. Note: If you are in a group health plan, the date you joined may not reflect the date the plan was created.

Pre-existing condition - A condition, disability or illness (either physical or mental) that you have before you

My Health Insurance Plan Comparison

This section will help you compare health insurance plan costs, including the premium, deductible, and copayments.

Using your information from pages 6-7 and the Summary of Benefits and Coverage (SBC) for each plan, calculate your total estimated out-of-pocket costs.

Section 4: Health Insurance Plan Costs		Option 1 Plan Name:	Option 2 Plan Name:	Option 3 Plan Name:
$ Annual **premium** amount		$ ____ per month x 12 months = $ _____	$_____ per month x 12 months = $ _____	$_____ per month x 12 months = $ _____
$ How much is the annual **deductible?**		$ _____	$ _____	
How much is your **copayment?** Use the estimated number of visits from the **My Health Insurance Needs (pgs. 6-7)** to help complete this section.	**Primary Care Doctor Office** Visit Copayment	$_____ per visit x ____visits = $ _____	$_____ per visit x ____visits = $ _____	$_____ per visit x ____visits = $ _____
	Specialist Copayment	$_____ per visit x ____visits = $ _____	$_____ per visit x ____visits = $ _____	$_____ per visit x ____visits = $ _____
	Urgent Care Copayment	$_____ per visit x ____ visits = $ _____	$_____ per visit x ____visits = $ _____	$_____ per visit x ____visits = $ _____
	Emergency Dept. (ER) Copayment	$_____ per visit x ____ visits = $ _____	$_____ per visit x ____visits = $ _____	$_____ per visit x ____visits = $ _____
	Hospitalization Copayment:	$_____ per visit x ____ visits = $ _____	$_____ per visit x ____visits = $ _____	$_____ per visit x ____visits = $ _____
$ Total Out-of-pocket costs you may pay yearly. (Add together the annual deductible and all the estimated copayments for each plan).		$ _____	$ _____	$ _____

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My Health Insurance Plan Comparison

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Some health insurance plans cover the cost of **prescription drugs,** while others do not. Given your family's medical service needs, it will be important to determine if you:

1) need prescription drug coverage and
2) have adequate insurance to cover these costs. Look back at pg. 7for last year's prescription drug costs for your family.

This section enables you to calculate the out-of-pocket costs for prescription drugs. For health insurance plans that include **prescription drug coverage**, use **Row 1** to determine your out-of-pocket costs. If you need to buy a prescription drug plan use **Row 2**. The final row **$ Total Prescription Drug Costs**, will include the plan premium plus copayments.

Section 5: Prescription Drug Costs - use information on pg. 7 to calculate your costs.		Option 1 Plan Name:	Option 2 Plan Name:	Option 3 Plan Name:
Prescription Drug Costs Find out prescription drug costs by checking online or by calling the company ; ask about the **formulary.**	**Row 1:** The cost of prescriptions is covered minus copayments.	$ _____copayment per prescription x ____number of prescriptions filled = $ _____	$ _____copayment per prescription x ____number of prescriptions filled = $ _____	$ _____copayment per prescription x ____number of prescriptions filled = $_____
	Row 2: I need to buy a separate plan. Premium Costs Copayment	$ _____monthly premium x 12 = $ _____ /year $ ____copayment per prescription x ____ number of prescriptions filled = $ _____	$ _____monthly premium x 12 = $ _____/year $ ____copayment per prescription x ____number of prescriptions filled = $ _____	$ _____monthly premium x 12 = $ _____/year $ ____copayment per prescription x ____ number of prescriptions filled = $ _____
$ Total Prescription Drug Costs	What I may pay yearly for prescriptions (For each column, use the totals from either Row 1 or 2.)	$ _____	$ _____	$ _____

Important Words to Know

Prescription Drug Coverage - Health insurance or plan that helps pay for prescription drugs and medications.

Formulary - A list of prescription drugs covered by a prescription drug plan or another insurance plan offering prescription drug benefits. Also called a drug list.

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Not all health insurance plans include **Vision Coverage**. Given your family's medical service needs, it will be important to:

1) determine if you need vision coverage and
2) have adequate insurance coverage to cover these costs.

This section provides a place for you to calculate the out-of-pocket costs for vision services. For health insurance plans that include vision services and products, use **Row 1** to determine your out-of-pocket costs. If you need to buy a vision health insurance plan use R**ow 2**.

Section 6: Vision Care		Option 1 Plan Name:	Option 2 Plan Name:	Option 3 Plan Name:
Vision Coverage	**Row 1:** The cost of vision services is covered. I only have copayments.	$ _____copayment per Doctor visit X ____ number of visits = $ _____	$ _____copayment per Doctor visit X ____ number of visits = $ _____	$ _____copayment per Doctor visit X ____ number of visits = $ _____
	Row 2: I need to buy a separate plan. Premium Copayment	$ _____ monthly premium x 12 = $ _____ /year $ ____copayment per doctor visit x ____ number of visits = $ _____	$ _____ monthly premium x 12 = $ _____ /year $ ____copayment per doctor visit x ____ number of visits = $ _____	$ _____ monthly premium x 12 = $ _____ /year $ ____copayment per doctor visit x ____ number of visits = $ _____
Vision Services Costs	What I may pay yearly for Vision Services (For each column, insert the totals from either Row 1 or 2).	$ _____	$ _____	$ _____
Vision Product Costs	Estimated costs for glasses frames, lenses, contacts, and other vision products.	$_____ frames $_____ lenses $ _____ contacts $ _____ products	$_____ frames $_____ lenses $ _____ contacts $ _____ products	$_____ frames $_____ lenses $ _____ contacts $ _____ products
Vision Product Costs	What I may pay yearly for glasses, frames, or lenses (Add up your estimate for vision products).	$ _____	$ _____	$ _____
Total Vision Costs	Vision Services Costs + Vision Product Costs	$ _____	$ _____	$ _____

Important Words to Know

Vision or Vision Coverage - A type of health benefit that covers at least a part of vision care, like eye exams and glasses. Vision coverage may be offered either as part of a comprehensive medical plan, or through a "stand-alone" vision plan.

However, stand-alone vision plans may not be offered through the Health Insurance Marketplace.

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My Health Insurance Plan Comparison

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Not all health insurance plans include **dental coverage.** With what you know about your family's health care needs, think about:

1) if you need dental coverage and
2) if your plan covers these costs

This section gives you a place to calculate out-of-pocket costs for these dental services.

For health insurance plans that include dental coverage, use **Row 1** to figure out your out-of-pocket costs.
If you need to buy a dental health insurance plan use **Row 2**.

The final row **$** Dental Costs, will include your premium plus your copayments.

Section 7: Dental Care		Option 1 Plan Name:	Option 2 Plan Name:	Option 3 Plan Name:
Dental Coverage	**Row 1:** The cost of dental services is covered; but I do have copayments. How much is the annual deductible? What is the annual limit?	$ _____ copayment per Dentist visits X ____ number of visits = $ _____ $ _____ $ _____	$ _____ copayment per Dentist visits X ____ number of visits = $ _____ $ _____ $ _____	$ _____ copayment per Dentist visits X ____ number of visits = $ _____ $ _____ $ _____
	Row 2: I need to buy a separate plan? Premium Copayment How much is the annual deductible?	$ _____ monthly premium x 12 = $ _____/year $ _____ copay per Dentist visits X ____ number of visits = $ _____ $ _____	$ _____ monthly premium x 12 = $ _____/year $ _____ copay per Dentist visits X ____ number of visits = $ _____ $ _____	$ _____ monthly premium x 12 = $ _____/year $ _____ copay per Dentist visits X ____ number of visits = $ _____ $ _____
$ Dental Costs	What I may pay yearly on dental services. For each column, insert the totals from either Row 1 or 2.	$ _____	$ _____	$ _____

Important Words to Know

Dental Coverage - Benefits that help pay for the cost of visits to a dentist for basic or preventive services, like teeth cleaning, X-rays, and fillings. In the Health Insurance Marketplace, dental coverage is available either as part of a comprehensive medical plan, or by itself through a "stand-alone" dental plan.

My Health Insurance Plan Comparison

The next page will help you add up all the health, vision and dental insurance costs. Go back to the previous pages and copy the total costs for each type of health care. Look at the row that has a **$** in front of it to find the total for that section.

Once you fill in the numbers, add up each column to find the **Total Estimated Yearly Health Care Costs** for each plan option you are comparing.

Now that you have calculated the yearly cost for health insurance plans, the next step is to calculate the **Estimated Monthly Health Care Costs** for the insurance plans you are comparing. Using the figures in the first column for each option, divide this number by 12 to estimate the monthly costs. Next add up the monthly cost column for each option to determine the estimated monthly cost for the plan.

The estimated monthly cost includes actual monthly amounts such as the monthly premium and also estimated monthly expenses such as copayments and deductibles.

You may be surprised that the option with the lowest premium may have the highest costs. This occurs because when paying lower premiums you are taking on more of the risk and responsibility and therefore may have more out-of-pocket expenses. See page 11, Description of the Tiers as a reminder.

Comparing health insurance plans will help you take charge of your health and finances. Knowing the total monthly and yearly costs for each option will help you select the most affordable plan that meets your health care needs.

Planning and saving for health care costs are important steps in being prepared when health care expenses occur.

Once you know the total annual and monthly costs for each plan you will be able to make a **Smart Choice** health insurance decision.

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Important Words to Know

Total Estimated Yearly Health Care Costs - The total amount you may have to pay for health care. It includes premiums, deductibles, copayments, coinsurance and all out-of-pocket costs. This total is estimated before you actually have the coverage and have health expenses under the coverage.

Estimated Monthly Health Care Costs - This is the total yearly amount divided by 12. This figure can help you determine how much you can afford on a monthly basis. It will include the actual monthly premium costs plus the estimated out-of-pocket costs for copayments, coinsurance and deductibles.

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Section 8: Estimating Monthly Medical Expenses		Option 1: Yearly Cost	Option 1: Yearly Cost divided by 12 = Monthly Cost	Option 2: Yearly Cost	Option 2: Yearly Cost divided by 12 = Monthly Cost	Option 3: Yearly Cost	Option 3: Yearly Cost divided by 12 = Monthly Cost
Insurance Premium (from pg. 16)	What I may pay for insurance premiums	$ _____	$ _____	$ _____	$ _____	$ _____	$ _____
Total Out –of – pocket costs (from pg.16)	What I may pay in deductible and copayments.	$ _____	$ _____	$ _____	$ _____	$ _____	$ _____
Prescription Drug Costs (from pg.17)	What I may pay for prescriptions	$ _____	$ _____	$ _____	$ _____	$ _____	$ _____
Vision Costs (from pg. 18)	What I may pay for Vision Services and products.	$ _____	$ _____	$ _____	$ _____	$ _____	$ _____
Dental Costs (from pg. 19)	What I may pay for dental services	$ _____	$ _____	$ _____	$ _____	$ _____	$ _____
Total Yearly and Monthly Health Care Costs		Yearly $ _____	Monthly $ _____	Yearly $ _____	Monthly $ _____	Yearly $ _____	Monthly $ _____

Now you can begin to narrow down your choices to make a **Smart Choice** health insurance decision. The next worksheet, **My Monthly Spending Plan,** helps you organize your monthly costs for taxes, savings, living expenses and debt payments. Use your monthly bills, bank statements and credit card statements to estimate your monthly expenses. Try not to guess your expenses.

By using accurate figures you'll get a clear picture of your finances. This will help you look at your financial picture. Later you can determine how expenses can be adjusted so you can cover your health care costs. The monthly estimates for health care costs can be added to the **My Monthly Spending Plan** worksheet so you can decide which plan you can afford.

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My Monthly Spending Plan

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Monthly Income (Gross pay before any deductions)	
Wages/salary #1	
Wages/salary #2	
Other sources:	
Total Income	
Deductions taken from your pay	
Federal taxes	
State taxes	
FICA/Medicare	
Life insurance	
Health Insurance	
Disability Insurance	
Flexible Spending Account	
Retirement Savings	
Other Savings (payroll deduction)	
Other deductions	
Total deductions	

Expenses: Housing	
Rent or Mortgage	
Insurance (Homeowner or Renters)	
Property taxes	
Maintenance/repairs	
Total	
Utilities	
Electric	
Heating oil or gas	
Trash/garbage	
Water and Sewer	
Telephone	
Cable TV	
Internet	
Cell phone	
Other	
Total	

Food	
Groceries	
Food away from home	
School lunches	
Other	
Total	
Transportation	
Car/truck payment	
Car/truck Insurance	
Maintenance/repairs	
Gasoline, oil, etc.	
Other	
Total	
Personal	
Clothing	
Personal Care	
Tobacco/alcohol	
Total	
Family Care	
Child Care or other dependent care	
Personal Allowances	
Total	

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My Monthly Spending Plan

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Health and Medical	
Insurance premium (not deducted from paycheck)	
Insurance copayments/ coinsurance costs	
Prescriptions	
Over-the-counter medicines	
Vision	
Dental	
Health Savings Account	
Total	
Educational Expenses	
Tuition	
Sports and organization fees	
School supplies	
Total	
Pet Care	
Pet food	
Pet supplies	
Veterinary services	
Pet care (grooming, boarding, etc.)	
Total	

Entertainment	
Movies, books, etc.	
Vacation	
Hobbies, etc.	
Total	
Gifts & Charitable Contributions	
Gifts for others	
Charitable contributions	
Total	
Credit Payments	
Credit Card # 1	
Credit Card # 2	
Student loan payments	
Personal loan payments	
Total	
Additional Savings Goals	
Goal # 1	
Goal # 2	
Total	

Periodic Expenses

These expenses come up once or twice a year. Fill in the estimated costs under the month they are due. Add your total and divide by 12 to determine your monthly estimate.

Jan	
Feb	
Mar	
Apr	
May	
June	
July	
August	
September	
October	
November	
December	
Subtotal	
Subtotal ÷12 = Total monthly portion of periodic expenses	

Summary

Total Monthly Income $ _____

Total Monthly Expenses $ _____

Difference (total monthly income - total monthly expenses) **= $** _____

My Smart Choice Health Insurance Decision

To make a **Smart Choice**, review the following worksheets: **My Health Insurance Needs**, **My Health Insurance Plan Comparison**, and **My Monthly Spending Plan**. By completing these worksheets you will know what you need and can afford based on the different health insurance plans.

Now you can choose the health insurance plan that fits your needs (from pgs. 6-9) and your spending plan (from pgs. 22-23).

If there are two plans that meet your needs and fit into your spending plan, look at what they offer. Choose an affordable plan that best meets your current and upcoming health care needs.

If there is a plan that doesn't fit into your spending plan but it meets your health care needs now and for the future, review your spending plan to determine how you might adjust some of your expenses or increase your income to cover the health care costs.

By completing these steps you should feel confident that you've made a **Smart Choice** health insurance decision.

Congratulations!

SMART USE HEALTH INSURANCE™

Once you buy a health insurance plan, you will need to use it to your benefit. To learn more about becoming a Smart User of health insurance visit http://extension.umd.edu/insure.

Acknowledgements: Andrew Williams, Nicole Finkbeiner, Lindsey Foss, Milli Dugal, Graduate Students; Dr. Amanda Ginter, School of Public Health. Dr. Jinhee Kim, Associate Professor & Extension Specialist, Family Resource Management; Allison Roe, Undergraduate Intern, UMD College of Agriculture and Natural Resources.

Notes

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